

**094199**

**Trenching And Sampling Report  
On The  
J.A.E 1-27 and TM 1-2  
Quartz Claims  
Work Period July 15<sup>th</sup> to Sept 2<sup>nd</sup>, 2000**

**Located In  
Dawson Mining District  
On  
NTS 115-O-15  
63° 52' Latitude, 136° 57' Longitude**

**By  
Herman Liedtke**

**For  
J.A.E. Resources Inc.**

**January 17, 2001**



## **Table Of Contents**

Location And Access	Page 1
Topography And Vegetation	Page 1
History And Previous Work	Page 1
Principal Holders In Property	Page 2
Geology	Page 2
Current Work And Results	Page 3
Conclusions	Page 4
Recommendations	Page 5
Statement Of Qualifications	Page 6
Statement Of Costs	Page 7
Property Location Map	Page 8
Claim Location Map	Page 9
J.A.E. Compilation Map	Page 10
Barramundi Rock Sample Location Map	Page 11
Barramundi Rock Sample Value Map	Page 12
Trench Maps	Appendix A
Assay Results	Appendix B
Trench Photo's	Appendix C

This report has been examined by  
the Mineral Identification Unit  
and is identified as Common Quartz  
Minerals found in the sample.  
Reported by [unclear]  
Date 3/9/00  
122.3 g

SAC

## Location And Access

The J.A.E. and Tom claims are located in the Dawson Mining District, on NTS mapsheet 115-O-15, covering much of the east and north flanks of King Solomon Dome. A well-developed network of roads and secondary trails provides excellent access to most of the property. The roads, which service numerous local placer mines, are usually passable from between May 15<sup>th</sup> and September 15<sup>th</sup>. Total distance from Dawson City via the Hunker Creek road is approximately 45 kilometres.

## Topography And Vegetation

The property lies within the un-glaciated Klondike Plateau, which is characterized by low rolling hills dissected by deeply incised stream valleys. This region experienced strong surface weathering during the early and mid-Tertiary, as a result, bedrock exposure is extremely limited with the effects of surface weathering extending to depths of as much as 80 metres or more. Regolithic material in the vicinity of the claims averages 1-2 metres in thickness, and necessitates the use of mechanized trenching to expose bedrock. Permafrost is widespread on north facing slopes.

The majority of the property is below treeline. Higher elevations are covered by mixed spruce and brush, with the amount of tree cover increasing at lower elevations and on south facing slopes.

## History And Previous Work

First staked in August 1900 by A. Wildhaber. By 1912, numerous open-cuts and shallow pits along with an 84-foot deep shaft and a 50-foot drift had been completed. Spectacular samples of free gold in quartz were reportedly found on surface in the early days. The property was re-staked several times between 1940 and 1980, with most groups completing trenching and sampling programs over the known veins. Several shipments of hand-cobbled ore from the Sheba Vein during this period totaled 5.0 tons, with grades up to 305 oz/ton Ag, 0.2 oz/ton Au, 26.3% Pb, 2.9% Cu and 0.7% Zn.

J.A.E. Resources Inc. acquired the property by staking in 1987, and over the next 9 years they trenched and sampled several of the known veins. During 1990-91 Arbor Resources Inc. optioned the ground and completed I.P. and E.M. surveys, as well as some sampling over portions of the property. Numerous anomalies were outlined, but no follow-up work was completed. Barramundi Gold Ltd. (CDNX) optioned the ground during the period 1996-1997. Their work consisted of soil and rock sampling programs along with some excavator trenching. Results were extremely encouraging, with 72 chip and grab samples taken from the area of the Sheba and Mitchell veins, grading greater than 0.1 g/t Au to a maximum of 32.0 g/t Au. This work also showed significant wallrock enrichment with values of up to 3.72 g/t Au. Several anomalous gold values were also returned from a pyritic chlorite-muscovite schist horizon with an absence of quartz veins. Work on the nearby (14.0km east) Lone Star Property has outlined a significant zone of gold enrichment within a similar foliaform pyritic chlorite-muscovite schist horizon.

Barramundi returned the property to J.A.E. Resources in 1998. J.A.E has since conducted minor amounts of trenching and sampling. The most recent episode of trenching and sampling, which this report covers, was conducted during the period July 15<sup>th</sup> to September 2<sup>nd</sup>, 2000.

## Principle Holders In Property

Name	Position	Interest
John Erickson	President	32.5%
Herman Liedtke	Exploration Manager	32.5%
Sikanni Construction	Investor	25%
Tom McGraw	Investor	10%

\*Reports and other historical data pertaining to the property are held by Herman Liedtke at his office in Whitehorse, Yukon\*

## Claim Status Table

Claim Name	Grant Number	Expiry Date
JAE 1	YA 89006	2003/09/01
JAE 2	YA 89007	2004/09/01
JAE 3-14	YA 89008-019	2003/09/01
JAE 15-19	YA 89318-322	2003/09/01
JAE 20-27	YA 89719-726	2003/09/01
TM 1-2	YC 17893-894	2004/09/01

\*Expiry Date is the date applied for, pending acceptance of this report by the Dawson Mining Recorder\*

## Geology

The property is situated on the southeast side of the Tintina Fault, within Yukon Tanana Terrane strata. The Y.T.T. has proven to be an under-explored, yet highly prospective belt of rocks, as witnessed by the recent world-class discoveries at Wolverine, Kudz Ze Kayah and Pogo. The potential for Pogo type occurrences (along with other bulk-tonnage gold targets) has been recognized in the Yukon portion of the Y.T.T., with the area from Dawson, west to Alaska, receiving considerable attention during the last few years from numerous companies, including Newmont, Teck and Phelps Dodge.

Underlying the property is a mixed sequence of chlorite-muscovite, quartz-muscovite and chlorite schist. These variations occur on a scale of metres to tens of metres and are a product of differences in original rock-type and differences in alteration.

Two main types of quartz veins are common on the property: foliaform and discordant. Foliaform veins are discontinuous along strike, and range up to 2.0m in thickness. No gold values, visible sulphides or evidence of alteration has been noted in, or associated with, this type of veining. Discordant mesothermal veins occur throughout the J.A.E. property. These are NNW trending and steeply east dipping veins (a few dip steeply west) that cut across the schistosity. They are typically 0.1 to 1.0 metre in width, laterally discontinuous and anomalous in gold. Veins are limonitized and

contain pyrite and galena along with minor pyrrhotite, arsenopyrite, freibergite and chalcopyrite. Most occupy steeply dipping extensional structures, which form a north-south trending, left-stepping en echelon array. Silicified, pyritized, carbonatized and sericitized alteration zones adjacent to these quartz veins are also commonly anomalous in gold, with a sample of pyritic bleached schist adjacent to the Mitchell vein assaying 39.7 g/t Au (Yukon Minfile, 1991). Alteration is discernible for up to 3.0m from the margins of single veins, while in areas where several veins occur together, continuous alteration zones 10-12 metres wide have been noted. Extensive alteration similar to that adjacent to quartz veins was also noted in areas lacking quartz veins.

Three of the richest placer gold producers in the Klondike District: Hunker Creek, Gold Bottom Creek and Dominion Creek, can trace their “paystreaks” onto ground covered by quartz claims of the J.A.E. property. Gold from these placers is commonly angular, between 1mm and 4mm in diametre and often has quartz attached.

## Current Work And Results

The 2000 work program consisted of excavator trenching (Caterpillar 235) and rock sampling. Work was done to follow up on results from the Barramundi work, as well as the deepening of several unfinished trenches started during the early 1990's. A total of five trenches and two pits were completed for an aggregate excavation volume of approximately 936.75 cubic metres. One trench (#1) was prevented from reaching bedrock by permafrost; the remaining excavations reached their target. J.A.E. Resources personnel took a total of 50 channel and grab samples. A further 14 channel samples were taken by INAC geologist Mike Burke. Work was completed on claims J.A.E. 2, 4, 5, 7, 8 and 19.

## Trenching Details

Number	Location	Dimensions (L x W x D)	Volume (m3)
Trench #1	J.A.E. #8	100m x 1.2m x 1m	120
Trench #2	J.A.E. #7	50m x 1.2m x 2.5m	150
Trench #3	J.A.E. #2	17m x 3.5m x 2.5m	148.75
Trench #4	J.A.E. #4	16m x 2m x 2m	64
Trench #5	J.A.E. #19	34m x 2m x 3m	204
Pit #1	J.A.E. #7	5m x 5m x 5m	125
Pit #2	J.A.E. #7	5m x 5m x 5m	125

Trench #1 was designed to expose bedrock in the vicinity of a 300m x 800m, open to the south and west, Zn-Cu-Ba-Fe soil anomaly located by Barramundi. Although this trench never hit bedrock due to permafrost, 3 trench samples of proximally derived silvery-green muscovite chlorite pyrite schist returned values of up to 100 ppb Au, 5.2 ppm Ag, 3004 ppm Pb, 665 ppm Cu and 540 ppm Zn.

Trench #2 was designed to test the strike potential (165m south) of a high-grade vein swarm located by Barramundi in the Sheba East Trench. The new trench exposed a 12.0m wide zone of pyritized and weakly silicified muscovite chlorite schist cut by 7 quartz veins ranging from 5cm to 20cm in thickness. A total of 7 samples were taken, with each sample consisting of a vein, along with a 0.2m sample across both the foot wall and the hanging wall. Results ranged from 0.01 oz/t Au to 0.113 oz/t Au, with an average grade for the 7 samples of 0.043 oz/t Au.

Trench #3 was designed to expose the Mitchell vein, 50m north of the Mitchell Shaft. Work successfully exposed the limonitic and pyritic quartz vein over a strike length of 17 metres, where it obtains widths of from 7cm to 15cm. A 3.0m wide zone of pyritization and weak silicification bounds the vein. Seventeen 1.5m chip/channel samples were taken by J.A.E. personnel across the vein and adjacent hanging wall; these samples averaged 6.1 g/t Au. Detailed sampling by Mike Burke (INAC Geologist) included: three 1.5m chip/channel samples across the foot wall averaging 2.65 g/t Au, four 0.5m chip/channel samples across the hanging wall averaging 1.9 g/t Au, and four samples of the vein averaging 11.0 g/t Au. The vein is cut off at the north end of the trench by a fault structure, with the offset believed to be located approximately 50m to 75m to the west.

Trench #4 was designed to expose the Mitchell vein 15m south of the Mitchell Shaft. The vein in this area is limonitic, approximately 0.2m wide, and returned a grade of 15.0g/t Au from a representative grab sample. A small shear exposed in the trench slightly offsets the vein to the west. Two grab samples of limonitic pyritized chlorite schist wall rock taken at points 5m, and then 10m from the vein, returned 1.4 g/t Au and 1.5 g/t Au respectively.

Trench #5 was designed to check an IP low outlined by Arbor Resources. A 6.0m wide limonitic quartz vein dipping to the NW was encountered, but only background gold values were returned from sampling of the vein.

Pit#1 was excavated to better expose a limonitic quartz vein located in an old shallow trench. The vein is west dipping, northeast striking and averages 0.7m in width. Grab samples have returned up to 3.0 g/t Au.

Pit #2 was excavated to better expose two parallel limonitic quartz veins located in an old shallow trench. The veins are east dipping, strike north, with one averaging 1.0m wide and the other averaging 0.5m wide. Three chip samples across the 1.0m wide vein (no wall rock sampled) returned values of 2.2 g/t Au, 1.0 g/t Au and 1.6 g/t Au.

## Conclusions

Discordant quartz veins are consistently anomalous in gold, with values of up to 32 g/t reported from recent sampling. Significant gold values are often returned from wall-rock alteration haloes adjacent to veins. Sheeted vein systems and their associated alteration haloes form an attractive bulk-tonnage gold target on the property. Areas with significant alteration, but an absence of quartz veining have been noted on the property (lower part Sheba East Trench); these areas are also an attractive bulk-tonnage gold target. Geology and geochemistry suggests potential exists on the property for a VMS type mineralized system (Trench #1 and area).

## Recommendations

Further work is warranted on the property. Trenching should be conducted to further expose the vein swarm encountered in the Sheba area. A 75m long east/west trending trench should be cut mid-way between the Sheba East Trench and Trench #2 of the 2000 program. A similar sized and oriented trench should be cut approximately 50m north of the Sheba East Trench. One trench is recommended for the Mitchell Vein area. It should be centered on the Mitchell vein, be about 100m long, trend east/west and be located mid-way between Trench #3 and Trench #4 of the 2000 program. Trench #1 of the 2000 program (Zn-Cu-Ba-Fe soil anomaly) should be continued to bedrock. Given sufficient funding, some prospecting and trenching should also be conducted in the vicinity of the Arsenic-Gold soil anomaly on the east side of Dominion Creek. A standard rock sampling procedure should also be instituted. The procedure should be for all veins thicker than 2.0 centimetres to be sampled individually, and with the sample to consist strictly of vein material (no wall rock). The hanging-wall and foot-wall to each vein should be chip/channel sampled in 1.0m intervals. Where there are several parallel veins, care should be taken to produce a continuous chip/channel sample of the veins and intervening wall rock in the manner described above.

Contingent upon favourable results from the above program, further trenching, and possibly diamond drilling, should be conducted.

## **Statement Of Qualifications**

I, Herman Liedtke, was present and witnessed the exploration work herein.

I have over 30 years prospecting experience in the Yukon.

This report is based on fieldwork conducted or witnessed by myself, and includes information from two Barramundi Gold exploration reports.

This report is based on fieldwork completed during the period July 15<sup>th</sup> to September 2<sup>nd</sup>, 2000.

This report is based on fieldwork completed on the J.A.E. 1-27 and TM 1-2 quartz claims.

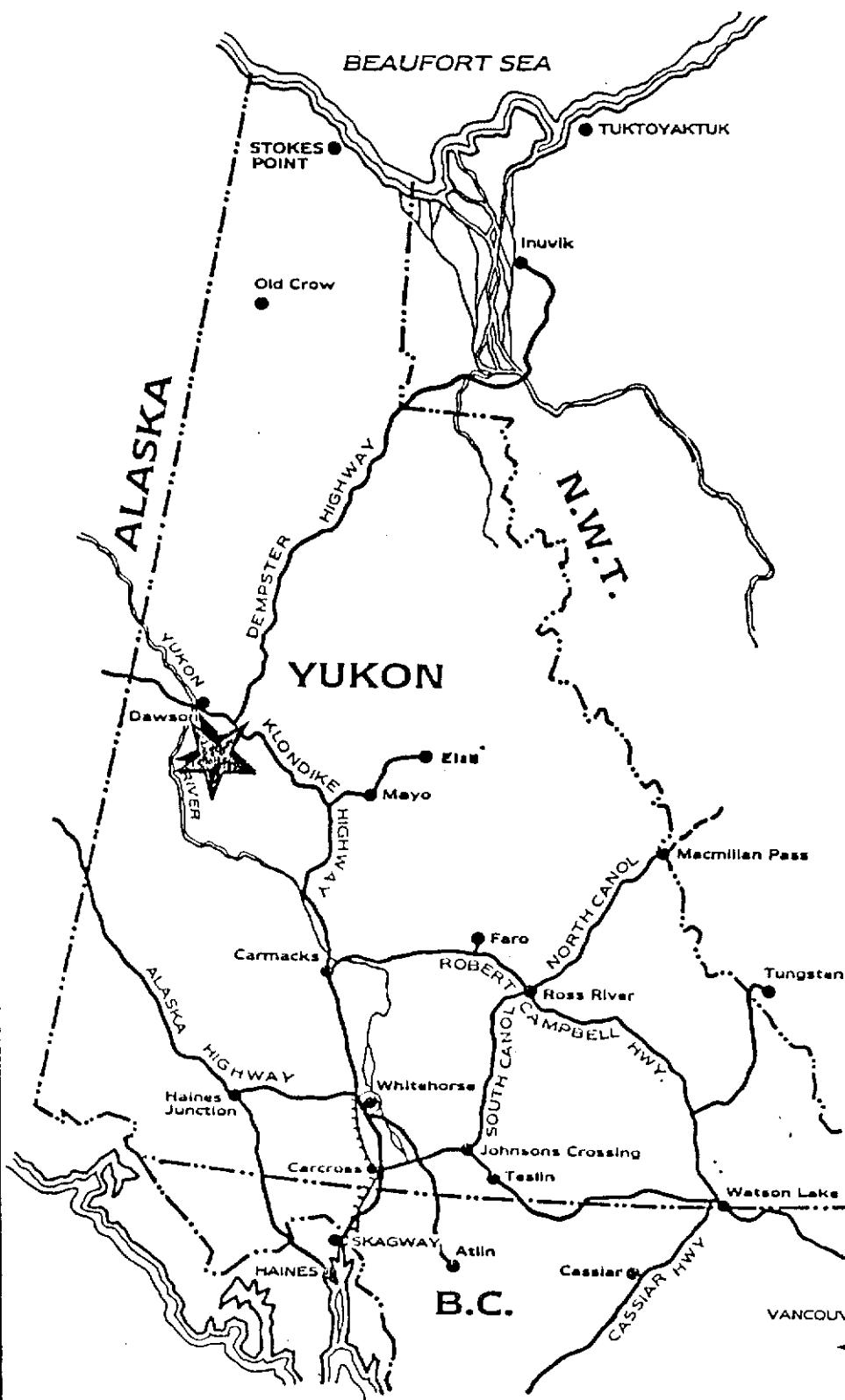
Respectfully Submitted,

  
Herman Liedtke

## **Statement Of Costs**

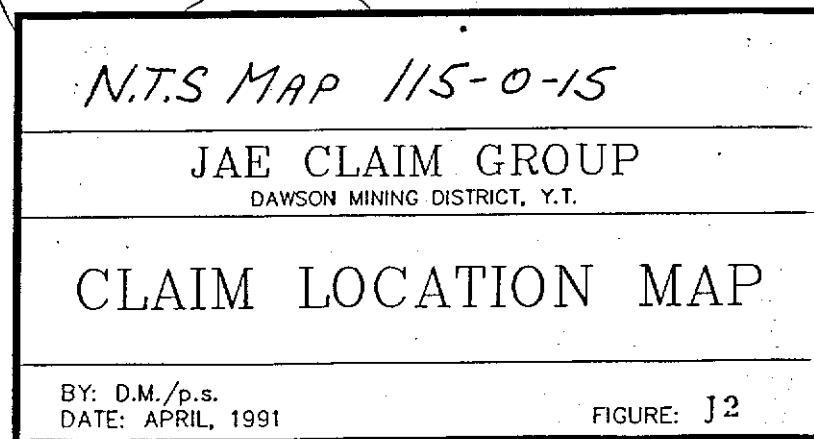
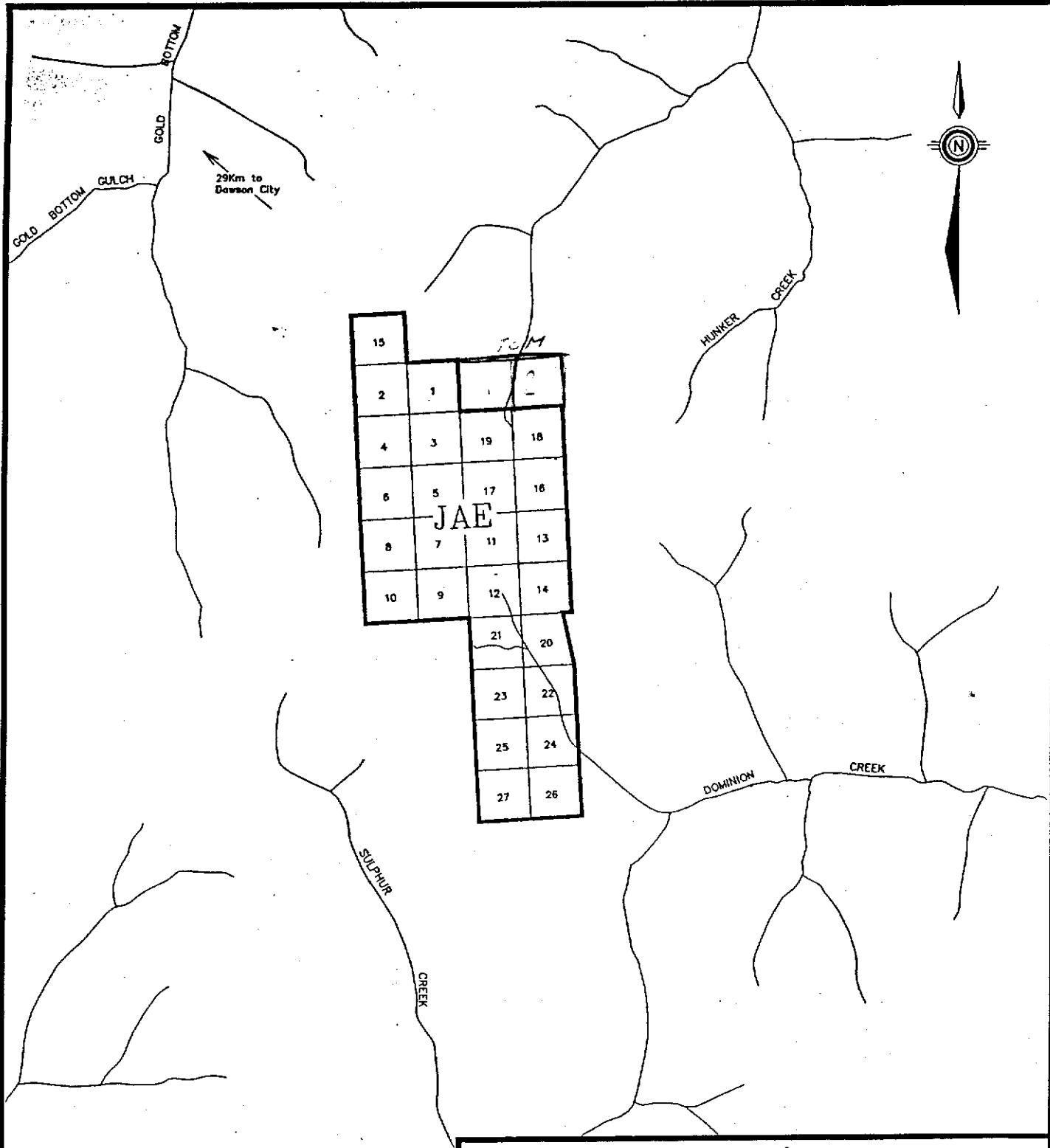
Truck Costs For Two Round-Trips From Whitehorse (2228km x \$0.42/km)	=	\$935.76
235 Cat Excavator Rental and Hauling (30 hours)	=	\$5640.00
Food And Camp Supplies (3 men for 14 days x \$35/day)	=	\$1470.00
Sample Analysis on 50 Samples (30g Au fire assay)	=	\$980.00
Sample Preparation	=	\$250.00
Wages (2 helpers for 14 days)	=	\$2400.00
Report Preparation	=	\$720.00
Pictures, Maps, Printing	=	\$180.00
Filing And Recording Fees	=	<u>\$452.50</u>
	<b>TOTAL</b>	<b>\$13028.26</b>

**Yukon Territory**  
Area: 478,034 sq. km.  
Population: 25,000  
Capital: Whitehorse

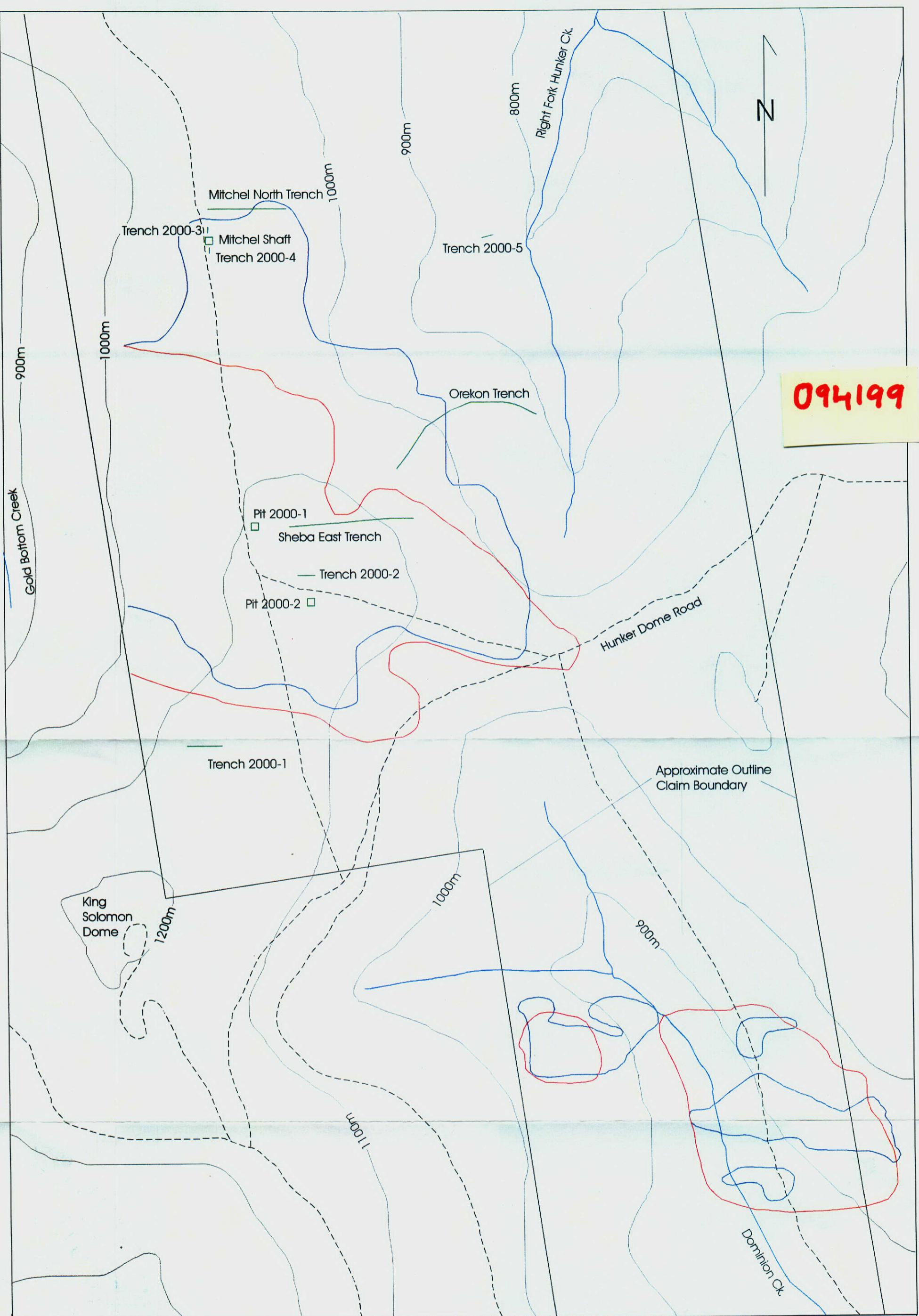


**LOCATION MAP**

FIG. 1



SCALE 1:50,000  
0 0.5 1 2  
KILOMETRES



Compilation Map J.A.E. Property

0m 200m 600m

Scale 1:10,000

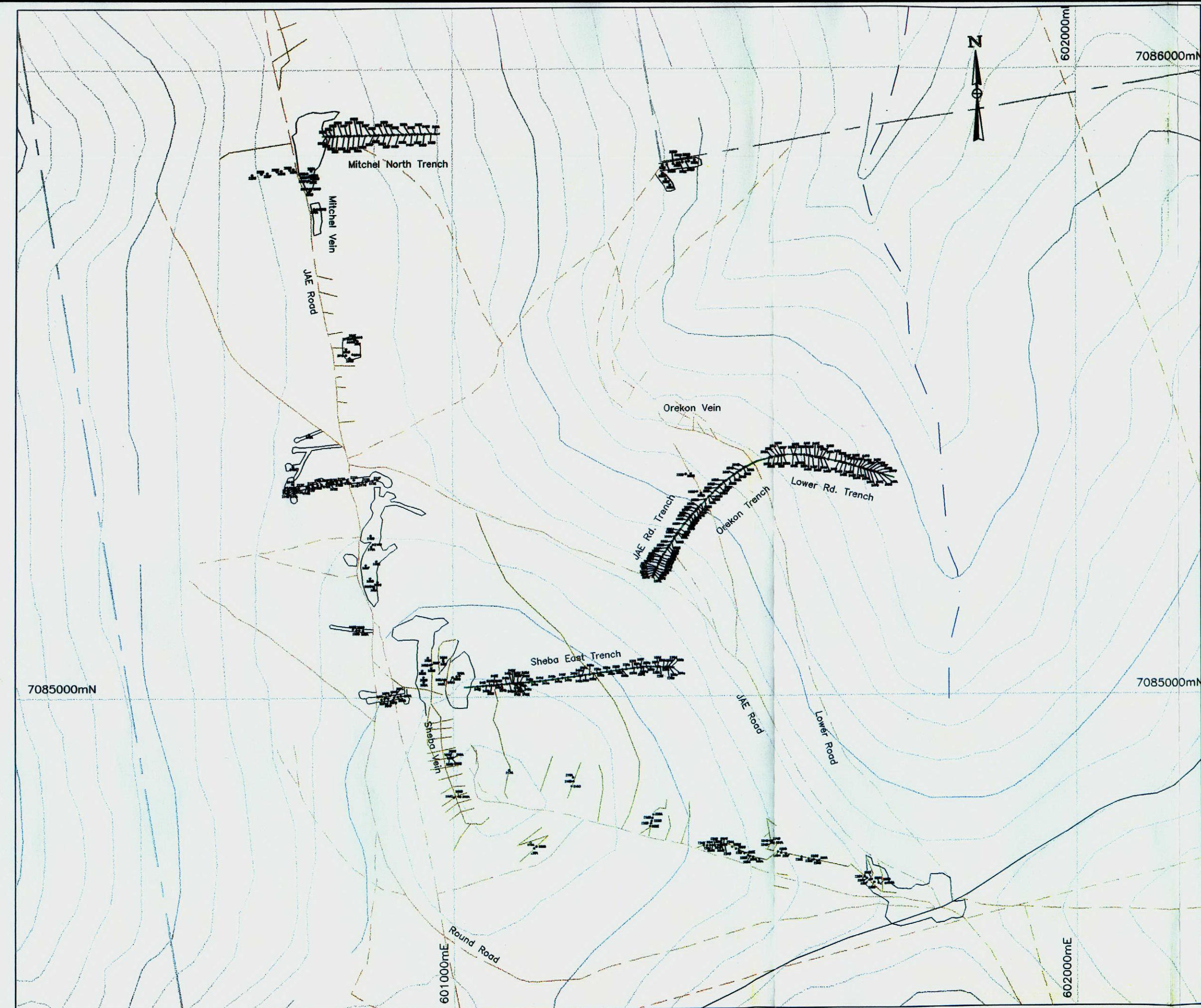
Roads

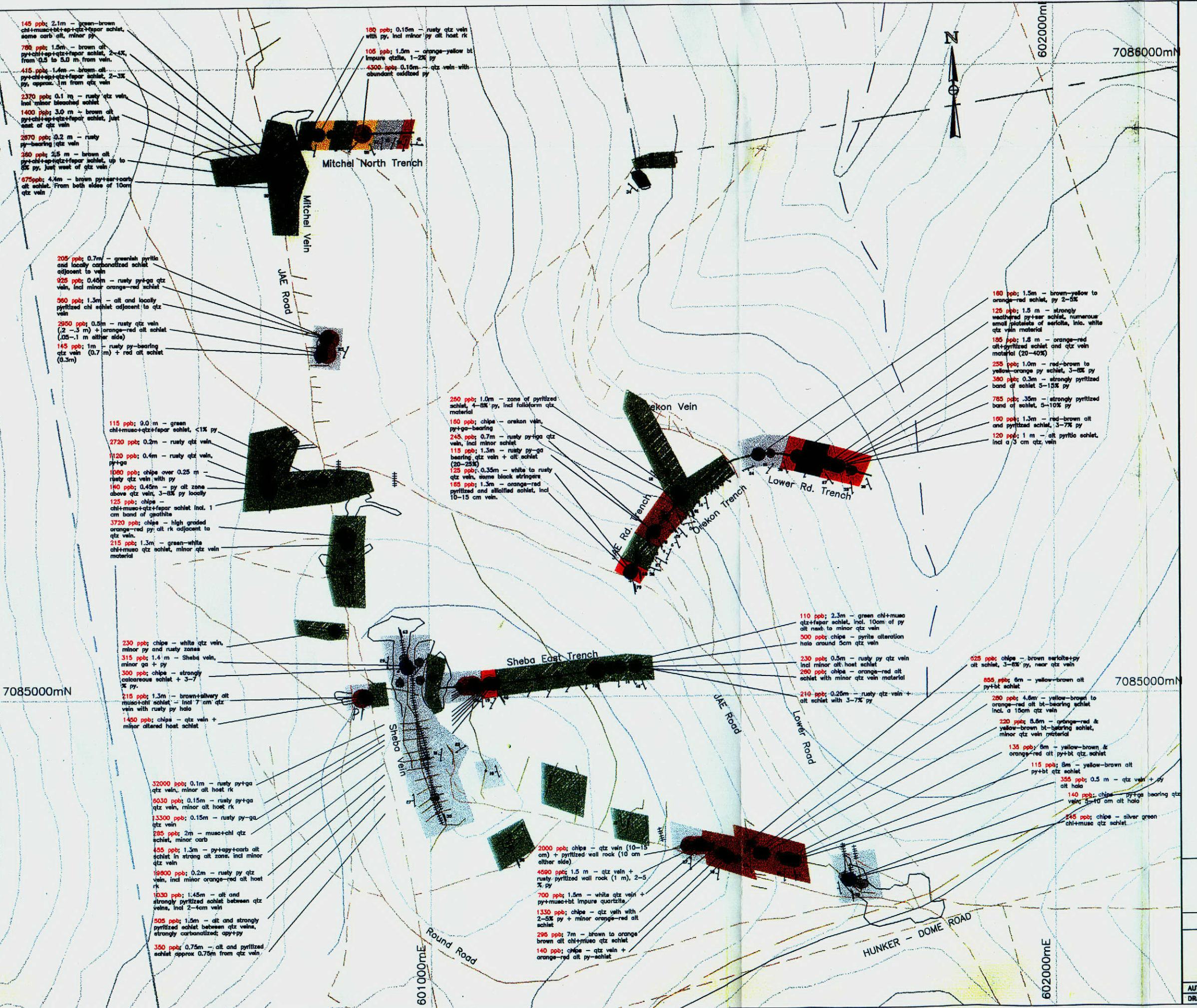
Gold Soil Anomaly

Arsenic Soil Anomaly

Trenches

Soil Data From Barramundi 1997 report.  
Gold Soil Anomalies Are +25 ppb  
Arsenic Soil Anomalies Are +100 ppm  
Numerous Secondary Roads And Trails  
Are Not Marked On The Map.  
Numerous Historic Trenches Are Not  
Marked On The Map..





094199

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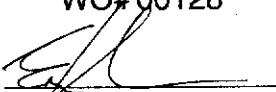
18/09/2000

Certificate of Analysis

Page 1

JAE Resources - Herman

WO# 00128

Certified by 

Sample #	Au oz/ton	Au grav oz/ton
BA-30	0.113	
BA-31	0.064	
BA-32	0.010	
BA-33	0.010	
BA-34	0.018	
BA-35	0.007	
BA-36	0.004	
BA-37	0.007	
BA-38	0.001	
BA-38B	0.001	<u>TR 2</u>
BS-20	0.003	
BS-21	0.001	
BS-22	0.002	<u>0.7</u>
LH-1-AS	<.001	
LH-1	<.001	
LH-2	<.001	
LH-3	<.001	
LH-4	<.001	
LH-5	<.001	
LH-5B	0.002	<u>TR 5</u>
LH-6	<.001	
LH-7	0.002	
LH-8	0.001	
LH-9	<.001	<u>TR 5</u>
M1-1	0.093	
M1-2	0.142	
M1-3	0.088	
M1-4	0.214	
M1-5	0.399	
M1-6	0.161	

19/10/2000

**Certificate of Analysis**

094199

Page 1

Mike Burke

WO#00151

Certified by

Sample #	Au ppb	Au oz/ton
00MBMV-01 vein	70m	0.681 -
00MBMV-2 Hanging-wall	30m	554
00MBMV-3 vein	5.0m	2629
00MBMV-4 HW	3	3716
00MBMV-5 vein	12.0m	0.184
00MBMV-6 HW		1253
00MBMV-7 vein	14.0m	0.343
00MBMV-8 HW		2043
00MBMV-9 Footwall	@ 9.0m	2843
00MBMV-10 FW	@ 0.0m	1589
JAE TR-1-1 GRAB		100 -limonitic gts
JAE TR-1-1		20-limonitic sericitic schist
JAE TR-1-2		10-pyritic limonitic schist
M15F		0.115

18/09/2000

Certificate of Analysis

094199

Page 2

JAE Resources - Herman

WO# 00128

Certified by 

Sample #	Au oz/ton	Au grav oz/ton
M1-7	0.036	
M1-8	0.049	
M1-9	0.018	
M1-10	0.013	
M1-11	0.002	
M1-12	0.383	
M1-13	0.047	
M1-14	0.398	
M1-15	0.014	
M1-16	0.107	
M1-17	0.044	TR 3
MP-1	0.003	
MS-11	0.042	
MS-12	0.041	
MS-13	>.400	0.472 TR 4
SP-1F	0.048	
SP-2S	0.024	
SP-3N	0.065	
SP-4	0.006	PIT 2



INTERNATIONAL PLASMA LABORATORY LTD

994199

## CERTIFICATE OF ANALYSIS

iPL-00J1390



Vancouver, B.C.  
Canada V5Y 3E1  
Phone (604) 879-7878  
Fax (604) 879-7898  
Email ipl@direct.ca

Client : Northern Analytical Laboratories  
Project: W.O. 00151

14 Samples  
14-Pulp

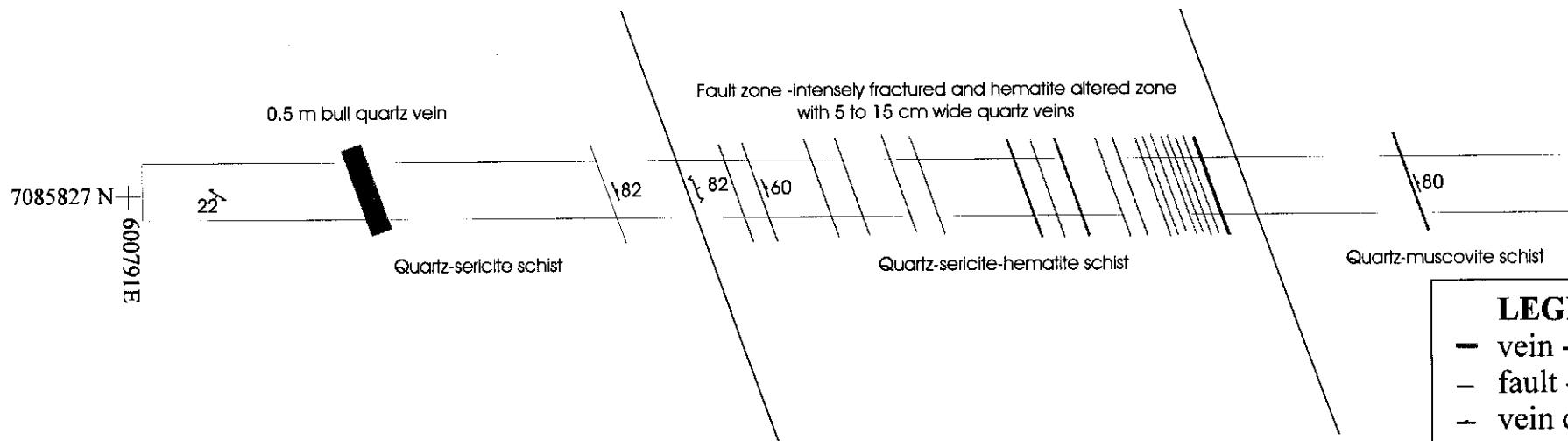
Out: Oct 25, 2000  
In : Oct 16, 2000

Page 1 of 1  
Section 1 of 1

Sample Name	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Hg ppm	Mo ppm	Tl ppm	Bi ppm	Cd ppm	Co ppm	Ni ppm	Ba ppm	W ppm	Cr ppm	V ppm	Mn ppm	La ppm	Sr ppm	Zr ppm	Sc ppm	Ti %	Al %	Ca %	Fe %	Mg %	K %	Na %	P %	
00MBMV-01	P 3.2	82	32	22	430	<	<	9	<	<	<	24	12	42	6	47	80	307	2	154	4	5	0.07	0.78	0.21	11%	0.36	0.88	0.03	0.07	
00MBMV-02	P 0.9	93	9	47	98	<	<	4	<	<	<	1.8	31	12	91	<	25	57	1667	2	163	1	4	0.08	2.25	4.39	4.98	2.12	0.67	0.02	0.05
00MBMV-03	P 1.2	47	23	28	402	<	<	5	<	<	<	0.7	42	17	85	<	68	51	506	3	104	2	5	0.04	1.15	0.33	7.92	0.78	0.64	0.02	0.07
00MBMV-04	P 1.3	118	16	60	288	<	<	5	<	<	<	1.7	43	30	83	6	26	66	1541	2	137	2	5	0.10	2.58	4.06	6.30	2.33	0.72	0.02	0.06
00MBMV-05	P 2.4	76	15	54	178	<	<	7	<	<	<	2.4	17	10	89	<	125	54	209	<	15	1	2	0.02	0.43	0.13	4.03	0.24	0.11	0.02	0.01
00MBMV-06	P 0.5	83	14	76	<	<	<	4	<	<	<	1.2	37	25	67	5	29	106	1133	2	49	2	6	0.11	2.35	1.54	5.01	2.29	0.49	0.02	0.06
00MBMV-07	P 2.7	42	25	17	333	<	<	8	<	<	<	0.6	13	7	101	<	128	39	119	3	50	2	2	0.02	0.31	0.08	5.57	0.11	0.32	0.02	0.03
00MBMV-08	P 0.6	84	32	112	68	<	<	3	<	<	<	2.1	26	7	45	<	65	75	985	3	45	3	5	0.09	1.79	1.41	4.78	1.47	0.18	0.02	0.07
00MBMV-09	P 0.9	105	14	44	113	<	<	3	<	<	<	1.4	37	19	63	<	41	55	1206	<	65	2	4	0.07	1.88	2.00	5.35	1.68	0.56	0.02	0.06
00MBMV-10	P 0.6	129	10	69	487	<	<	3	<	<	<	1.6	33	18	61	<	38	98	1140	<	63	2	5	0.08	2.49	2.22	5.13	2.32	0.53	0.02	0.05
JAE TR-1 Grab	P 0.5	44	14	80	200	<	<	5	<	<	<	2.1	17	27	128	<	62	111	454	5	312	3	9	0.10	1.58	0.86	6.36	1.56	0.44	0.03	0.19
JAE TR-1-1	P 5.2	665	3004	540	28	<	<	6	<	<	<	0.9	11	9	68	<	115	128	434	2	27	2	3	0.06	0.79	0.40	2.57	0.56	0.12	0.02	0.03
JAE TR-1-2	P 0.5	87	55	64	<	<	<	3	<	<	<	1.3	29	32	60	<	53	112	611	3	85	3	7	0.08	1.69	1.86	3.83	1.82	0.27	0.03	0.11
M15F	P 0.7	107	9	36	309	<	<	2	<	<	<	1.6	27	10	77	<	38	55	877	2	45	2	4	0.06	1.56	1.42	4.49	1.33	0.43	0.02	0.20

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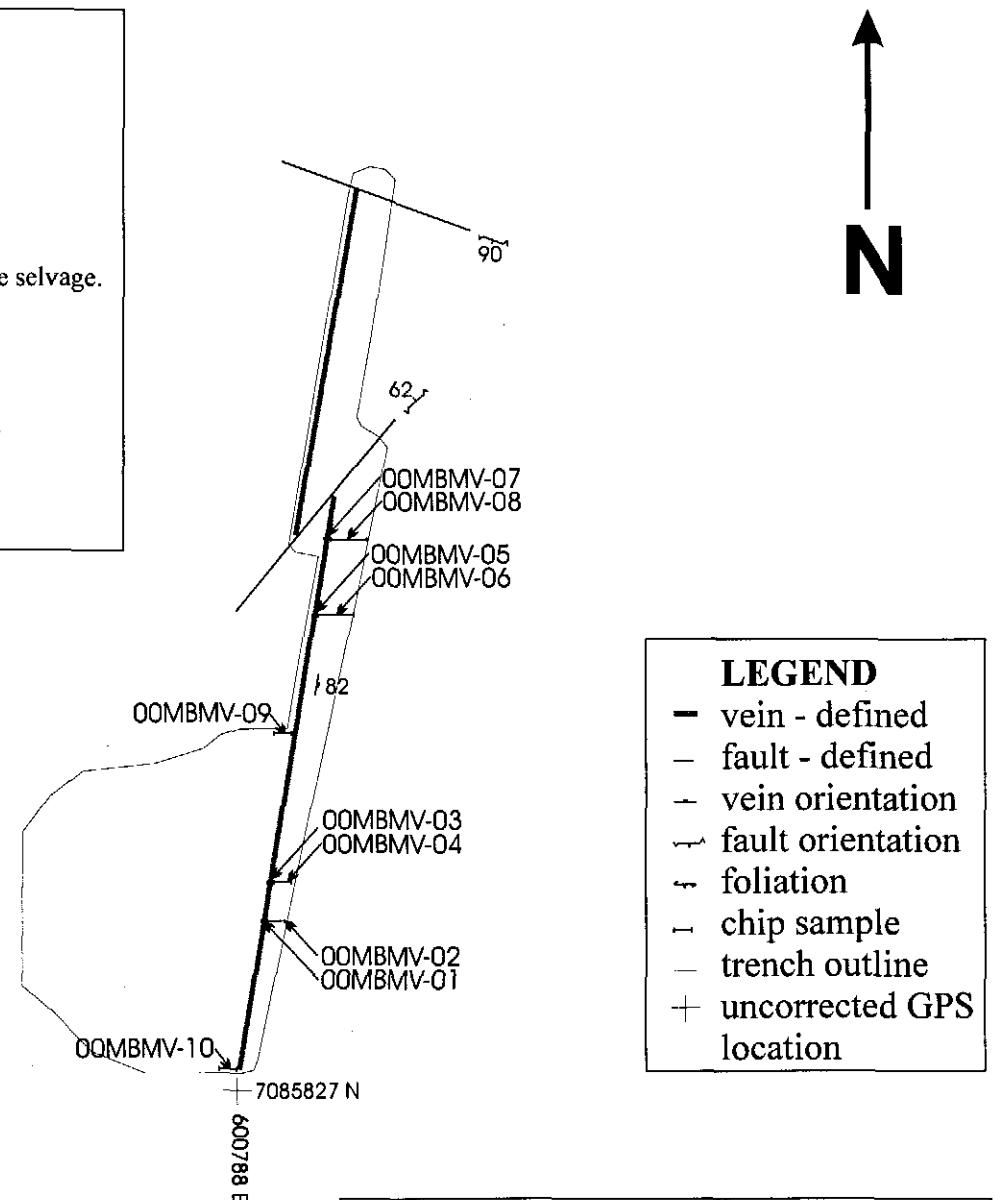
- LEGEND**
- vein - defined
  - fault - defined
  - vein orientation
  - fault orientation
  - foliation
  - chip sample
  - trench outline
  - + uncorrected GPS location

Mitchell Property  
Trench 2000-2

NTS 115O/15 | Scale 1:300 | Drawn by: M. Burke

684199

Sample #	Width (m)	Au (g/t)	Description
00MBMV-01	0.10	23.35	White quartz-limonite vein
00MBMV-02	0.50	0.55	Chlorite schist, minor pyrite
00MBMV-03	0.05	2.63	Quartz-limonite vein
00MBMV-04	0.60	3.72	Chlorite-limonite schist, intensely oxidized.
00MBMV-05	0.15	6.31	Highly fractured milky qtz vein with 2 cm limonite selvage.
00MBMV-06	1.0	1.26	Pyritic chlorite schist
00MBMV-07	0.20	18.39	Quartz-limonite vein
00MBMV-08	1.0	2.04	Quartz-sericite-limonite schist. Intensely oxidized.
00MBMV-09	0.50	2.84	Quartz-sericite-pyrite schist. Pyrite cubes to 5 cm.
00MBMV-010	0.50	1.59	Quartz-sericite-pyrite schist.



Mitchell Property  
Trench 2000-3 sampling Plan  
NTS 115O/15 | Scale 1:200 | Drawn by: M. Burke

094199



094199



094199

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094199

